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Seattle Field Hearing on Media Ownership

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Testimony of Dave Lougee

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President and General Manager

KING-TV, KONG-TV, NorthWest Cable News

Federal Communications Commission
Office of the Secretary

March 7, 2003

Good morning. I want to thank Commissioners Copps and Adelstein and the other organizers of today's forum for the opportunity to appear before you. My name is Dave Lougee. I am President and General Manager of KING-TV, KONG-TV and Northwest Cable News. KING, KONG and NorthWest Cable News are all Seattle-based media companies owned by our parent Belo Corp. Belo is a publicly traded company owning television, newspaper, cable news and interactive businesses in the Pacific Northwest and elsewhere in the U.S.

As you are aware, Belo has filed extensive comments in the ongoing media ownership rulemaking. Those comments reflect our Company's belief that the evidence now before the Commission is incontrovertible that both the newspaper/broadcast cross ownership rule and the existing restrictions on television duopolies fail to advance the agency's traditional diversity and competition objectives and cannot be justified in the contemporary marketplace.

I think it is appropriate you are holding this event in Seattle -- one of America's most educated communities and a community on the cutting edge of new technology. This is a good place to discuss the future of information delivery and challenge some outdated assumptions.

My purpose here today is to provide you with real world, local examples of how the public benefits from enhanced news and public affairs programming when companies like Belo are allowed to own multiple outlets in a single local market.

I am a former news director, most recently here at KING, and before that at WRC, the NBC owned station in Washington D.C. It's significant that Belo chose a journalist to lead these three Seattle outlets. Belo's expectation of us is that our newscasts reflect the company's values of fairness, excellence and inclusiveness, presenting all sides of controversial issues. That's the extent of their involvement in news content. Neither I nor any other member of KING's management team have ever been pressured or influenced by the Company on any news content decision. Not once, not ever. Nor was I influenced or pressured at NBC. And we don't do editorials. The viewers demand we give them the facts, context and all viewpoints -- but not our viewpoint. Our large loyal

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viewership level is absolute proof of their trust in us, and that trust is the currency of successful local TV stations.

Our main station, KING, provides more news and local programming than any other TV station in the Northwest by a good margin. In just a few weeks, KING's daily local program, Evening Magazine, will become, to our knowledge, the first local daily program in America produced and broadcast in high definition television. Every one of our newscasts is the highest rated in its time period, and our journalists and managers are deeply connected and involved in this community. As Congressman Inslee can attest, our coverage of politics and public policy in Western Washington is the most extensive of Washington broadcasters. For that commitment, we recently received a Walter Cronkite Award from the Annenberg School of Journalism.

Now let me tell you how being able to own and operate a second station, KONG, has allowed us to expand our local commitment on both stations, even in the midst of a terrible advertising recession in the Northwest. By being able to own and operate both KING and KONG, we are able to consolidate expenses and use those efficiencies to put more resources into news and local programming.

KONG is an independent UHF station with no network programming. It is hard to conceive of any model where a stand-alone station like that would be providing any local news in any market. So four years ago, after a stand-alone station in the market dropped its 10 p.m. newscast for economic reasons, leaving viewers with only one news option at 10 p.m., we added a 10 p.m. newscast on KONG. It airs there seven days a week, something we couldn't do on KING because NBC network programming is on until 11 p.m.

Last year, in the worst advertising year ever in Seattle, we added a prominent local public affairs show. The cost consolidation and programming flexibility provided by a duopoly allowed us to provide something no other Seattle broadcaster provides. Called "Up Front" it doesn't just air, it airs in prime time at 10:30 p.m. on KONG, and at 4:30 p.m. on KING. It's worth noting that at the same time Seattle's only locally owned network affiliate cancelled their public affairs show.

Until this year we couldn't carry NBC's Meet the Press in a prominent time period on KING because the network was often airing basketball games at 9 a.m. on the West Coast. So instead, we carried it twice -- once on KING earlier in the morning, but again on KONG at 10 a.m. We made sure viewers knew of the option, and as a result Meet the Press's combined viewership here is among the highest in the nation.

On September 11th KING, of course, carried NBC's coverage from New York, uninterrupted. But on KONG, we carried non-stop local coverage -- the only station in a position to do so. We gave local viewers a chance to talk and grieve together as a community, and that night on KONG we aired a live service from a local cathedral.

In this very room, shortly after September 11th, a KING 5 journalist moderated Seattle's portion of a five-city town hall meeting set up by the United Nations and sponsored by the Better World Campaign. KONG carried the event from start to finish -- the only broadcaster to do so.

On Election Day 2000, this nation was choosing a new leader; and our state was electing a governor, a U.S. Senator and all of our seats in the House. On KONG we carried uninterrupted coverage of the local election. On KING we carried NBC national election coverage uninterrupted. Without the second station, we would have had to compromise with our viewers on both counts.

On multiple occasions, when no network affiliate was carrying live coverage of a local news event, KONG has been the only station to do so.

Our situation here is not unique. Belo has duopolies in four markets. In each of those markets, the acquired station provided no local news. Now, three of those four stations provide news and the fourth is preparing to do so. One of those duopoly markets is here in Spokane. Although a smaller market, again our ability to consolidate has allowed us to offer that market an additional daily newscast at 10 p.m. on our second station.

Thanks for the opportunity to appear before you, and I look forward to answering your questions.